



**Department of  
Central Management Services**

**INSURANCE SERVICES  
BROCHURE**

**Bureau of Benefits  
Risk Management Division**

**Rod R. Blagojevich, Governor  
Paul J. Campbell, Director**



## TABLE OF CONTENTS

|  |    |
|--|----|
| Introduction   | 2  |
| Directory of Services  | 3  |
| State of Illinois Self-Insured General Liability Plan                | 4  |
| State of Illinois Self-Insured Employee Indemnity Plan               | 4  |
| State of Illinois Self-Insured Motor Vehicle Liability Plan          | 5  |
| State of Illinois Self-Insured Fidelity and Surety Bond Coverage     | 6  |
| State of Illinois Self-Insured Workers' Compensation Program         | 7  |
| Auto Physical Damage Policy  | 8  |
| Electronic Data Processing Policy                                    | 9  |
| Notary Public Bond Insurance   | 10 |
| Aircraft Liability Policy and<br>Physical Damage Coverage (Optional) | 11 |
| Watercraft Policy  | 11 |
| Fine Arts Policy   | 11 |
| Equipment Coverage   | 11 |
| Business Interruption Coverage                                       | 11 |
| Special Property Coverage  | 12 |
| Special Events Liability Coverage                                    | 12 |
| Special Liability Coverage   | 12 |
| Commercial Insurance Purchase Information                            | 12 |
| Certificate of Coverage  | 12 |
| Commercial Insurance Premium Payment Requirements                    | 13 |



## **INTRODUCTION**

### **STATE INSURANCE COVERAGES**

The Department of Central Management Services (CMS) has the statutory responsibility to administer the State of Illinois' self-insured liability programs. The Risk Management Division is responsible for the procurement of commercial insurance coverage's, when necessary, to insure state property against loss and damage, and to protect employees and citizens through the procurement of liability insurance.

The Risk Management Division serves as the State's insurance company for all coverage's except employee benefits. The division performs the following functions:

- Buys or provides most coverage's that are required by law, requested by agencies or needed for the efficient operation of the State.
- Manages the State's insurance fund to pay liabilities and defend state officers, employees and agents accused of tort liability arising out of their state employment.
- Provides risk control advice to state agencies (risk control means taking steps to minimize or prevent the possibility of loss).

The Risk Management Division procures commercial insurance coverage's when premiums are anticipated to exceed \$25,000 annually as required by the Illinois Procurement Code. Request for Proposals or bid specifications must be prepared and posted to the Illinois Procurement Bulletin at [www.purchase.state.il.us](http://www.purchase.state.il.us). Quotes from insurance agencies are obtained for coverage's falling under the \$25,000 premium limit. Approximately fifty-three (53) insurance agencies are approved in the formal bid process via the Illinois Procurement Bulletin. Various insurance agencies are approved for quotes, when the anticipated premium is less than \$25,000. Two (2) of these quotations must be received from the Business Enterprise Program For Minorities (BEPFM) vendors. All premium invoices for insurance coverage's are routed through Risk Management to the various agencies for processing. The Risk Management Division expends approximately \$850,000 in insurance premiums annually.

Contact the Insurance Procurement Section at (217) 785-1935 concerning commercial insurance purchasing information and questions regarding the State of Illinois' self-insured programs.



## DIRECTORY OF SERVICES

Department of Central Management Services  
Bureau of Benefits  
Risk Management Division

|   |                                  |
|---|----------------------------------|
| General Information                                       | (217) 785-4197                   |
| Insurance Procurement Program                             | (217) 785-1935                   |
| Workers' Compensation Program                             | (217) 785-4197                   |
| State Employee Representation and Indemnification Program | (217) 785-1968                   |
| Auto Liability Program                                    | (217) 782-0202<br>(800) 442-1300 |

|   |   |
|---|---|
| Direct all inquiries and correspondence to: | Department of Central Management Services<br>Bureau of Benefits<br>Risk Management Division<br>201 E. Madison, Suite 3C<br>P.O. Box 19208<br>Springfield, Illinois 62794-9208 |
|---|---|



## **STATE OF ILLINOIS SELF-INSURED GENERAL LIABILITY PLAN**

The State of Illinois Self-Insured Comprehensive General Liability Plan is issued and administered by the Risk Management Division, pursuant to Public Act 79-1331, effective August 7, 1976. The coverage provided under the Comprehensive General Liability Plan parallel those in a commercial Comprehensive General Liability insurance policy. Bodily injury or property damage caused by occurrence and arising out of State agency operations is covered under the plan. The plan covers liability for financial loss resulting from negligence found legally liable on the part of a State agency or employee. The plan provides liability protection to employees and authorized non-state employees of all agencies, board and commissions if the claims against them are based on or arise out of acts within the scope of their state employment.

Pursuant to statute, coverage under the plan is limited to \$100,000 per occurrence, except for licensed physician employees when the limit is \$500,000. In addition to the \$100,000 per occurrence coverage, the plan provides for the defense, investigation and adjusting costs related to claims. The State shall provide for and coordinate the defense and investigation of any suit against an employee where damages are sought. The Attorney General and the affected agency handle such claims or occurrences even if the allegations of such are groundless, false or fraudulent. Injury or damages brought about or contributed to dishonesty, gaining of personal profit, or criminal acts of an employee are excluded from the plan. This plan also excludes auto liability and workers' compensation cases. Contact the Risk Management Division at (217) 785-1935 concerning the Self-Insured Comprehensive General Liability Plan.

## **STATE OF ILLINOIS SELF-INSURED EMPLOYEE INDEMNITY PLAN**

The Risk Management Division is responsible for the administration of the self-insured State Employee Indemnification Program. This program provides legal representation and indemnification for State employees who are sued for acts or omissions occurring within the scope of their employment with the State. Coverage is restricted only to state employees.

In the event that a civil proceeding is commenced against any State employee, the Attorney General shall, upon timely and appropriate notice, appear on behalf of the employee and defend the action. The case may be settled at the Attorney General's discretion with the employee's consent; and the State shall indemnify the employee for any damages, court costs and attorneys' fees agreed to as part of the settlement, or shall pay such settlement.

In the event that the Attorney General determines that appearing and defending either involves an actual or potential conflict of interest, or that the act or omission that gave rise to the claim was intentional, willful or wanton misconduct, the Attorney General shall decline or shall withdraw as an attorney for the employee. If the Attorney General declines because of an actual or potential conflict, an outside attorney may be appointed as a Special Assistant Attorney General. The State shall pay the court costs, litigation expenses and attorney's fees to the extent approved by the Attorney General as reasonable, as they are incurred. If the Attorney General declines because of a determination that the act or omission was intentional, willful or wanton misconduct, the



State shall indemnify the State employee only if a court or jury finds that the act or omission of the State employee was within the scope of employment and not intentional, willful or wanton misconduct.

Court costs, litigation expenses and other costs of providing a defense, including attorneys' fees obligated, shall be paid from the State Treasury on a warrant from the Comptroller out of appropriations made to the Department of Central Management Services and Department of Transportation. The processing of payments will conform to the requirements of the State Employee Indemnification Act (5 ILCS 350). No settlement payment above \$150,000 will be made in accordance with the Department of Central Management Services enabling legislation (20 ILCS 405-105 [12]).

Contact the Risk Management Division at (217) 785-1968 concerning the Employee Indemnity Self-Insure Plan.

## **STATE OF ILLINOIS SELF-INSURED MOTOR VEHICLE LIABILITY PLAN**

Pursuant to Public Act 79-1331, effective August 7, 1976, the State of Illinois "self-insured" its fleet of motor vehicles. Rather than paying automobile insurance premiums to an insurance company, the State guarantees that it will meet the costs of vehicle claims, for which it becomes legally liable, through an appropriation from the Legislature.

The State of Illinois' Self-Insured Motor Vehicle Liability Plan provides coverage to employees and authorized non-state employees of all agencies, universities, boards and commissions, not to exceed \$2,000,000 per occurrence for bodily injury liability and property damage liability, while operating a state owned, leased, or controlled motor vehicle during the scope of employment.

The Risk Management Division is responsible for administering the Motor Vehicle Liability Plan. Staff adjustors in the Auto Liability Section handle vehicle claims. The staff adjustors investigate, evaluate, and conclude all auto claims involving a third party. The service of an outside vendor is utilized to verify the damages above \$2,000 to a third party's vehicle through the use of an itemized appraisal of damage.

Adjustors are available to assist agency auto coordinators in the area of factual proof necessary to substantiate a subrogation claim, when they are involved in collecting money for damages done to their agency's vehicle. If a driver other than the state employee causes the accident, the employing state agency subrogates against the other driver or the other driver's insurance company.

Each agency appoints an auto coordinator who is responsible for reporting completely and promptly each motor vehicle accident incurred in his/her respective department. This written report is to be submitted to the Risk Management Division, Auto Liability Section within seven (7) calendar days after the accident. Failure to promptly and properly report the accident within seven (7) days could result in denial of coverage under the plan.

Specific procedures and forms are provided in an Auto Coordinator's Manual for auto coordinators. The CMS Risk Management Division, Auto Liability Section conducts



workshops and training exercises for auto coordinators at various locations throughout the State and at the home office in Springfield.

The Attorney General's Office is responsible for the defense of suits arising from vehicle accidents. The staff adjusters work with the Attorney General's Office to bring litigated cases to a resolution before trial if such resolution is advantageous to the State. Claims may be directed to the Auto Liability Section at (217) 782-0202, or by calling the toll free line at (800) 442-1300, depress #4.

## **STATE OF ILLINOIS SELF-INSURED FIDELITY AND SURETY BOND COVERAGE**

The State of Illinois Self-Insured Fidelity and Surety Bond Plan is issued and administered by the Risk Management Division. The Fidelity and Surety Bond Plan is similar to commercial coverage for employee fidelity and surety, or honesty and faithful performance.

Officials covered under the Self-Insured Fidelity and Surety Bond Plan include department and division heads, and employees who handle money, authorize payment and are involved in inventories. This coverage is an assurance that items of value entrusted to an employee's care will be used for the intended purpose and not diverted to some private benefit.

Specifically, this coverage includes:

- 1) All executive administrative, judicial and supervisory officials;
- 2) Department and division heads;
- 3) Assistant department and division heads; and
- 4 All peace officers.

Also included are officials and employees whose principal duties include the following:

- 1) Handle, receipt for, or have custody of money, checks or securities, and to account for supplies or other property;
- 2) Authorize or make appropriations for expenditures;
- 3) Approve, certify, sign or countersign checks, drafts, warrants, vouchers, orders, or other documents providing for the paying or delivery of money, securities, supplies, or other property, and;
- 4) Conduct physical inventories of money, checks, securities, supplies or other property.

If an official or employee requires a Certificate of Insurance evidencing this self-insured plan, please contact the Risk Management Division at (217) 785-1935.

In FY1988, legislation was introduced to the General Assembly permitting either the purchase of commercial insurance or the implementation of a program of self-insurance. This legislation passed both houses of the General Assembly and the Governor approved the legislation with an effective date of June 30, 1989, as Public Act 86-0012. Based upon the provisions of Public Act 86-0012, employee fidelity and surety exposures are now covered through self-insurance. Claims and administrative costs of the self-insurance program shall be paid on a pro rata and per occurrence basis out of



appropriated funds of the self-insured agency. Contact the Risk Management Division at (217) 785-1935 concerning Fidelity and Surety Bond Coverage.

## **LOSSES**

Any losses covered by the self-insured blanket bond shall be absorbed by the agency suffering the loss. CMS is not responsible to cover any losses. Contact the Risk Management Division at (217) 785-1935 regarding loss experiences not covered by the self-insured blanket bond.

## **STATE OF ILLINOIS SELF-INSURED WORKERS' COMPENSATION PROGRAM**

The Risk Management Division has the statutory responsibility to administer the Workers' Compensation Program for all State agencies, boards, commissions, and universities (non-inclusive of the University of Illinois and Illinois Toll-Highway Authority) in compliance with prevailing laws and standards.

The primary objectives of the Workers' Compensation Program are to provide prompt and equitable services to eligible employees and to return them to productive work as safely and quickly as possible, to provide prompt payment to providers for reasonable and necessary medical treatment, to assure the taxpayer that resources are managed effectively and prudently, and to use best practices to contain costs and operate efficiently.

The Illinois Worker's Compensation and Occupational Disease Acts, governed by the Illinois Workers' Compensation Commission, provide protection to employees from the economic hardship resulting from a work-related accident or disease. The benefits include payment of bills for necessary medical treatment, rehabilitation services, and temporary disability income payments and, in some cases, a settlement to compensate for permanent impairment that the employee may have as a result of the injury or disease.

CMS Workers' Compensation Adjustors are available to ensure efficient and proper claims administration in three principal areas: 1) initial claim review to determine compensability; 2) on-going benefit management (including payment of medical charges and temporary disability, and; 3) proper negotiation of settlements based on partial or total permanent disability.

The initial claims process begins with the injured employee contacting the State's Early Intervention Partner (CareSys) within twenty-four (24) hours via the toll-free injury reporting hotline (1-800-773-3221) to initiate a claim. The injured employee should also report the injury to his/her supervisor as soon as possible. The agency's Workers' Compensation Coordinator or immediate supervisor is then responsible to provide the employee with proper forms that need to be completed to ensure timely and efficient processing of the claim. All forms must be completed and forwarded to CMS within five (5) days of the receipt of the report of first injury or illness. If the employee requires medical treatment or loses time from work, all necessary documentation must be forwarded to Risk Management in a timely manner. By receiving the accident information within this timeframe, the claim may be adjudicated in a prompt and efficient manner, thereby benefiting the employee, as well as the claims administration unit.



The Office of the Attorney General is responsible for the defense of claims arising from work-related injuries or disease. The CMS Workers' Compensation Adjustors work closely with the Attorney General's Office to bring litigated cases to a resolution if such resolution is advantageous to the State. Otherwise, when both parties fail to reach an agreement, an Illinois Workers' Compensation Commission arbitrator for disposition hears a disputed claim.

The principal point of contact for an injured employee is the Early Intervention Vendor (CareSys) and the Workers' Compensation Coordinator or supervisor at the employing agency/university. The Plan Administrator is the Department of Central Management Services, Risk Management Division, Workers' Compensation Program, 201 E. Madison, Suite 3C, P.O. Box 19208, Springfield, IL 62794-9208. Further questions may be directed to the Workers' Compensation Program at (217) 785-4197.

## **AUTO PHYSICAL DAMAGE POLICY**

The Risk Management Division offers commercial insurance coverage for comprehensive and collision vehicle coverage to all state agencies, departments, boards, commissions, and universities.

Comprehensive and collision/physical damage insurance is provided to agencies for coverage of auto accidents or losses involving state-owned or leased vehicles. Comprehensive and collision coverage is for physical damage only to those state owned or leased vehicles. Third party liability and bodily injury are covered under the State of Illinois Self-Insured Motor Vehicle Liability Plan financed with appropriated funds. Bodily injury to a state employee is a Workers' Compensation claim if injury was sustained during the scope of employment.

Agencies operating non-motor pool vehicles have two options with respect to comprehensive and collision coverage's. First, the agency may elect to self-insure the risk. In this case, in the event of a loss, the agency would pay to have its car repaired or replaced out of its operations budget. Secondly, the agency may elect to have its vehicle or vehicles endorsed onto the state's insurance policy. In this case, the agency pays its respective share of the premium and the risk is transferred to the commercial insurance company.

Three categories of consideration regarding the purchase of commercial insurance for an agency's vehicle fleet are as follows: the vehicle may have a value which is relatively high in relation to the agency's operations appropriation; the vehicle is leased and commercial insurance is a condition of the lease, and; the agency is a small agency and the replacement cost for a damaged vehicle would be prohibitive.

The Risk Management Division currently purchases an auto physical damage insurance policy with a \$2,500 deductible for comprehensive damage and a \$2,500 deductible for collision damage. Quotes for coverage on owned or leased vehicles may be obtained by contacting the Risk Management Division. The pertinent information necessary to obtain an insurance quote for coverage on a vehicle is as follows: make, model, serial number, cost of vehicle, and effective date of coverage. After insurance coverage is obtained, it is necessary to notify the Risk Management Division promptly of any



changes with respect to the insured vehicle or fleet of vehicles such as additions and deletions. It is also necessary to call the Risk Management Division at (217) 785-1935 to report a claim.

## **ELECTRONIC DATA PROCESSING POLICY**

The Risk Management Division offers commercial insurance coverage for electronic data processing (EDP) equipment to all agencies, boards, universities, and commissions.

The EDP insurance policy is provided to agencies to cover physical loss or damage to electronic data processing equipment. The policy covers the cost to refill Halon Systems located on insured premises that protect the data processing operations if they discharge as designed to control a loss covered under the policy as well as the cost to recharge the system if it discharges accidentally. In addition, the policy insured covered EDP equipment against the following perils (normally excluded):

1. Damage due to mechanical failure, faulty construction or error in design unless fire or explosion ensues, and then only for loss, damage, or expense caused by such ensuing fire or explosion;
2. Dryness or dampness of atmosphere, extremes of temperature, corrosion or rust unless directly resulting from physical damage to the data processing system's air conditioned facility caused by a peril not excluded by the provisions of this policy;
3. Short circuit, blow out, or other electrical disturbances, other than lightning, within electrical apparatus, unless fire or explosion ensues and then only for loss, damages or expenses caused by such ensuing fire or explosion, and;
4. Actual work upon the property covered, unless fire or explosion ensues, and then only for loss, damages or expenses caused by such ensuing fire or explosion.

EDP insurance policy exclusions include: inherent vice, wear, tear, gradual deterioration or depreciation; dishonest, fraudulent or criminal act by any insured; delay or loss of market, war risks or nuclear risks; or business interruption. Terrorism coverage damage is available from year to year based on the affordability of the policy as a whole. Individual agencies may not pick and choose types of coverage.

Agencies with EDP equipment can self-insure the risk of loss or damage to such equipment. In this case, in the event of a loss, the agency would pay to have its equipment repaired or replaced out of its operations appropriations. An agency can elect to have its EDP equipment endorsed onto the insurance policy. In this case, the agency pays its respective share of the premium, and the risk is then transferred to the commercial insurance company. Many state agencies lease EDP equipment; lease conditions often require commercial insurance coverage.

The Risk Management Division currently purchases an EDP policy from a commercial insurance company with a set deductible rate per loss. Questions regarding the EDP



insurance policy should be directed to the Risk Management Division at (217) 785-1935.

## **NOTARY PUBLIC BOND INSURANCE**

The Risk Management Division is responsible by Statutes, Chapter 103, par. 14.3, and Chapter 127, par. 63b4, for the handling of all fidelity and surety insurance exposures, including notary public bonding, for all state agencies, boards and commissions.

The Secretary of State appoints notaries for a term of four years. An applicant for appointment must: 1) be a citizen of the United States or an alien lawfully admitted for permanent residence; 2) be a resident of the State of Illinois for at least 30 days; 3) be at least 18 years of age; 4) be able to read and write the English language; 5) have not been convicted of a felony and; 6) have not had a notary commission revoked during the past 10 years.

An applicant must complete the application form provided by the Secretary of State, which includes the oath of office. He or she must also obtain from a bonding or surety company a \$5,000 notary bond effective for a four-year term. The application and bond are then forwarded to the Secretary of State along with nominal filing fee. If the Secretary of State approves the application, a commission will be issued.

The commission will be mailed to the County Clerk of the county in which the applicant resides. The appointment is not complete until the commission is recorded with the County Clerk. The recording with the county clerk may be done in person or by mail. The County Clerk will notify the applicant of the procedure.

When the applicant has recorded his or her appointment with the County Clerk and has received the commission, the appointment is complete. The notary must then obtain an official seal and can perform notary acts anywhere in the State of Illinois, as long as he or she continues to reside in the county in which he/she was commissioned.

Illinois notaries are appointed for a four-year (4) term. Notaries are not automatically reappointed. A notary public whose appointment is about to expire and who wishes to continue to be a notary shall follow the same procedure used for a new appointment. Applications should be submitted to the Secretary of State at least one month prior to the expiration date of the current appointment.

A company qualified to write surety bonds in the State of Illinois must issue the \$5,000 bond. In order for a company to write bonds, that company must be qualified to do so with the Illinois Department of Insurance.

The Risk Management Division offers a \$5,000 bond for notary public commissions for state employees performing notary services for their respective agencies. The Risk Management Division contracts with a broker to obtain notary bond coverage for a nominal cost per bond. The information necessary for preparation of the bond includes: name, home address, county, employer name and address, work and home telephone numbers, social security number, and birthday. Questions regarding notary public bonds should be directed to the Risk Management Division at (217) 785-1935.



## **AIRCRAFT LIABILITY POLICY AND PHYSICAL DAMAGE COVERAGE (OPTIONAL)**

The Risk Management Division procures a fixed wing aircraft (airplane) and a rotary wing aircraft (helicopter) liability policy. The liability coverage limit for both types of aircraft is \$25 million each occurrence and a \$25 million aggregate. This coverage provides third party bodily injury and property damage liability protection. Questions regarding the aircraft liability policy and physical damage coverage policy should be directed to the Risk Management Division at (217) 785-1935.

## **WATERCRAFT POLICY**

The Risk Management Division procures a direct physical damage insurance coverage for watercraft vessel, on-board equipment and machinery. Hull policies insure against damage to, or loss of, the ship itself. Questions regarding the watercraft policy should be directed to the Risk Management Division at (217) 785-1935.

## **FINE ARTS POLICY**

The Risk Management Division procures a fine arts insurance policy. The policy covers fine arts at specified locations, while in transit, and includes coverage extensions for breakage of fragile articles and risks while on exhibit (subject to certain restrictions and exclusions). This is not an automatic coverage. Agencies must call the Risk Management Division to review exposure and to secure protection for their particular items. Questions regarding the fine arts policy should be directed to the Risk Management Division at (217) 785-1935.

## **EQUIPMENT COVERAGE**

The Risk Management Division procures insurance coverage for various equipment owned or leased. Rates covering equipment vary according to risk exposure, type of equipment and location. Certain lease/purchase agreements may require the purchase of commercial insurance coverage.

The Risk Management Division also offers commercial inland marine insurance policy covering mobile telephones and camera equipment, portable surveying equipment and contractors equipment, and commercial office contents policy covering copy and printing machines and various office equipment. Electronic data processing equipment insurance coverage is separate from Equipment Insurance and is listed on page nine (9) of the brochure. Rate information may be obtained by calling the Risk Management Division at (217) 785-1935.

## **BUSINESS INTERRUPTION COVERAGE**

The Risk Management Division offers business interruption insurance coverage to state agencies under special circumstances. Coverage applies to the actual loss of business income sustained due to suspension of operations and to extra expenses incurred to avoid or minimize a suspension of operations during a period of restoration. The suspension of operations must be caused by a direct physical loss of, or damage to, property at the insured premises (including personal property in the open or in a vehicle within 100 feet of the premises) caused by or resulting from a covered cause of loss.



Business income coverage pays the actual losses of business income, which is defined as net income plus continuing operating expenses. Contact the Risk Management Division at (217) 785-1935 for additional information regarding business interruption insurance.

### **SPECIAL PROPERTY COVERAGE**

The Risk Management Division procures special property insurance coverage under certain circumstances for mobile offices and buildings owned and leased by state agencies.

Agencies should call the Risk Management Division direct if they are aware of insurance requirements. Risk Management will procure a policy and/or coverage to fit the Agency's needs. Normally, the Risk Management Division follows the direction of the CMS Office of Property Management and Real Estate to ensure that specific state exposure risks are covered.

The Risk Management Division can insure the buildings it controls, as long as sufficient funds are made available by the respective agency to pay premiums. This is not an automatic process and not all buildings are insured. Decisions to insure or not to insure are usually made by the CMS Office of Property Management and Real Estate.

The funds to pay the premiums come from each respective agency involved in the coverage. The Risk Management Division writes and renews all policies invoicing each agency annually and respective agencies are required to remit funds directly to the insurance broker. Any changes/adjustments on these policies during the annual policy year are processed through the Risk Management Division at the direction of the respective agency or the CMS Office of Property Management and Real Estate.

Questions regarding special property insurance requirements should be directed to the Risk Management Division at (217) 785-1935.

### **SPECIAL EVENTS LIABILITY COVERAGE**

The Risk Management Division procures special events and host liquor liability insurance coverage's. This type of insurance applies only to the incidental exposures of those who are not engaged in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

Agencies planning special events or events where alcoholic beverages will be served must contact the Risk Management Division at (217) 785-1935.

### **SPECIAL LIABILITY COVERAGE**

The Risk Management Division purchases liability insurance in special circumstances when exposure to the State is great. Within the scope of a liability contract, the insurer agrees to pay all sums, up to the policy limits, which the insured becomes legally obligated to pay for damages to a third party.



Some examples of special liability insurance risks are as follows: bailee coverage or the delivery of personal property into the care of another who performs some service; when a property lease or lease/purchase agreement requires evidence of commercial insurance coverage; and auto or motorcycle racing events and spectator sports liability coverage. Contact the Risk Management Division at (217) 785-1935 for further information regarding special liability coverage.

## **COMMERCIAL INSURANCE PURCHASE INFORMATION**

Risk Management recognizes the importance of adequate insurance protection for state agencies, boards, universities, and commissions. While most risks are covered under the state's self-insured plans, commercial insurance protection is available to provide optimum coverage for unique risk problems. Staff is trained to communicate with agencies to understand their needs and to respond to them. Contact the Risk Management Division at (217) 785-1935 for assistance with your agency's insurance needs.

## **CERTIFICATE OF COVERAGE**

The Risk Management Division may provide an agency with a Certificate of Coverage upon request. The Certificate of Coverage provides evidence that the State is able to satisfy various obligations, pay liability losses assumed under contract for loss or damage to property, and evidence of coverage under the state's insurance plan. Each certificate provides a summary of the type of coverage, the plan providing the coverage, effective and expiration dates, and limits of liability. Contact the Risk Management Division at (217) 785-1935 if a Certificate of Coverage is required.

## **COMMERCIAL INSURANCE PREMIUM PAYMENT REQUIREMENTS**

Agencies are responsible for paying commercial insurance premiums directly to the respective agency/broker in a prompt manner to ensure uninterrupted coverage in the event of a loss. According to state insurance regulations, insurance agency/broker must receive payment for the entire premium due and can not accept partial payment prorated on a fiscal year basis.

If a premium is not paid on a timely basis, the policy is in jeopardy of being terminated for non-payment. If termination of coverage occurs, there can be no reinstatement of coverage at a later date and the individual agency will be held responsible for their earned premium. Contact the Risk Management Division at (217) 785-1935 for information regarding commercial insurance premium payment requirements.





**Department of Central Management Services  
Bureau of Benefits  
Risk Management Division  
201 E. Madison, Suite 3C  
P.O. Box 19208  
Springfield, IL 62794-9208**

**Rod R. Blagojevich, Governor  
Paul J. Campbell, Director**